

Auditing Procedures Report

issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name Hazel Park Memorial Library	County Oakland
Audit Date 6/30/05	Opinion Date 3/3/06	Date Accountant Report Submitted to State: 3/10/06	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

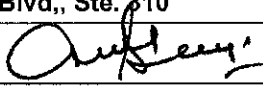
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Alan C. Young & Associates, PC			
Street Address 2990 W. Grand Blvd., Ste. 310		City Detroit	State MI
Accountant Signature 		ZIP 48202	Date 3/10/06

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name City of Hazel Park, Michigan	County Oakland
Audit Date 6/30/05	Opinion Date 3/3/06	Date Accountant Report Submitted to State: 3/10/06	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

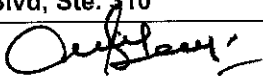
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☒ Yes ☐ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.		✓	
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Alan C. Young & Associates, PC			
Street Address 2990 W. Grand Blvd, Ste. 310	City Detroit	State MI	ZIP 48202
Accountant Signature 		Date 3/10/06	

Hazel Park Memorial Library

**Financial Report
with Supplemental Information
June 30, 2005**

Hazel Park Memorial Library

Contents

Report Letter	I
Basic Financial Statements	
General Fund Balance Sheet/Statement of Net Assets	2
Statement of General Fund Revenue, Expenditures, and Changes in Fund Balance/Statement of Activities	3
Notes to Financial Statements	4-11
Required Supplemental Information	12
Budgetary Comparison Schedule - General Fund	13

**Alan C.
Young & Associates, P.C.**
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

2990 W. Grand Blvd., Suite 310
Detroit, MI 48202

(313) 873-7500
(313) 873-7502 (Fax)
www.alancyoung.com

Independent Auditor's Report

To the Board of Directors
Hazel Park Memorial Library

We have audited the accompanying basic financial statements of the Hazel Park Memorial Library as of and for the year ended June 30, 2005, as listed in the table of contents. These basic financial statements are the responsibility of the Hazel Park Memorial Library's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Hazel Park Memorial Library as of June 30, 2005 and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the Library has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and related statements as of July 1, 2004. The accompanying financial statements do not present a management's discussion and analysis, which would be an analysis of the financial performance for the year. The Governmental Accounting Standards Board has determined that this analysis is necessary to supplement, although not required to be a part of, the basic financial statements.

Alan C. Young & Assoc.

March 3, 2006

Hazel Park Memorial Library

General Fund Balance Sheet/Statement of Net Assets June 30, 2005

	General Fund, Modified Accrual Basis	Adjustments (Note 2)	Statement of Net Assets, Full Accrual Basis
Assets			
Cash and cash equivalents (Note 3)	\$ 119,168	\$ -	\$ 119,168
Other receivables	4,343	-	4,343
Due from other governmental units	8,250	-	8,250
Depreciable capital assets - Net (Note 4)	-	1,009,068	1,009,068
Total assets	<u>\$ 131,761</u>	1,009,068	1,140,829
Liabilities			
Accounts payable	\$ 10,082	-	10,082
Accrued and other liabilities	20,102	-	20,102
Long-term liabilities (Note 7):			
Accumulated employee benefits - Due within one year	-	8,187	8,187
Accumulated employee benefits - Due in more than one year	-	25,623	25,623
Total liabilities	30,184	33,810	63,994
Fund Balance - Undesignated	<u>101,577</u>	<u>(101,577)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 131,761</u>	<u>(67,767)</u>	<u>63,994</u>
Net Assets			
Invested in capital assets - Net of related debt		1,009,068	1,009,068
Unrestricted		67,767	67,767
Total net assets		<u>\$ 1,076,835</u>	<u>\$ 1,076,835</u>

Hazel Park Memorial Library

Statement of General Fund Revenue, Expenditures, and Changes in Fund Balance/Statement of Activities Year Ended June 30, 2005

	General Fund, Modified Accrual Basis	Adjustments (Note 2)	Statement of Activities, Full Accrual Basis
Operating Revenue			
Property taxes	\$ 431,786	\$ -	\$ 431,786
State aid	16,491	-	16,491
Penal fines	27,179	-	27,179
Donations	10,143	-	10,143
Interest	3,548	-	3,548
Other	22,380	-	22,380
Total operating revenue	511,527	-	511,527
Operating Expenditures			
Salaries and fringes	314,389	62	314,451
Supplies	10,486	-	10,486
Professional services	41,487	-	41,487
Utilities	26,281	-	26,281
Maintenance	20,737	-	20,737
Insurance	14,670	-	14,670
Collection	54,875	(54,875)	-
Capital outlay	16,722	(16,722)	-
Depreciation	-	165,462	165,462
Other operating expenditures	7,706	-	7,706
Total operating expenditures	507,353	93,927	601,280
Change in Fund Balance/Net Assets	4,174	(93,927)	(89,753)
Fund Balance/Net Assets - July 1, 2004	97,403	1,069,185	1,166,588
Fund Balance/Net Assets - June 30, 2005	<u>\$ 101,577</u>	<u>\$ 975,258</u>	<u>\$ 1,076,835</u>

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 1 - Nature of Organization and Summary of Significant Accounting Policies

Hazel Park Memorial Library (the "Library") is located in the City of Hazel Park, Michigan. The Library is primarily funded through a tax levy, fines, and fees. Revenue is used to operate and staff the Library.

The accounting policies of the Library conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Library:

Reporting Entity

The Library is governed by a six-member elected board. The accompanying basic financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of any operational or financial relationships with the Library, there are no component units to be included in these financial statements.

Modified Accrual and Full Accrual Data

The Library has one fund, the General Fund, which is the Library's primary operating fund.

The General Fund is budgeted and accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Library considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 1 - Nature of Organization and Summary of Significant Accounting Policies (Continued)

In addition to presenting information for the General Fund on the modified accrual basis (as budgeted), the basic financial statements present information for the Library as a whole, using the economic resources measurement focus and the accrual basis of accounting. This information is intended to demonstrate the degree to which taxpayers have funded the full cost of services received. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Private sector standards of accounting issued prior to December 1, 1989 are generally followed in both modified accrual and full accrual columns, to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The Library has elected not to follow private sector standards issued after November 30, 1989 for its full accrual presentation.

Financial Statement Amounts

Cash and Cash Equivalents - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Capital Assets - Generally, capital assets are defined by the Library as assets with an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building improvements	10-20 years
Furniture and equipment	5-20 years
Collection	3-5 years

Compensated Absences (Vacation and Sick Leave) - It is the Library's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. All sick and vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end.

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 1 - Nature of Organization and Summary of Significant Accounting Policies (Continued)

Property Taxes - Properties are assessed as of December 31. The related property taxes are billed on July 1 and become a lien on the following December 1. The taxes are due on February 14, with the final collection date of February 28 before they are added to the county tax rolls.

The 2004 taxable valuation totaled \$273.6 million (a portion of which is abated and a portion of which is captured by the DDA), on which taxes levied consisted of 1.5557 mills for operating purposes. This resulted in approximately \$426,000 in tax revenue.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Change in Accounting - During the current year, the Library adopted GASB issued Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain significant changes in the statement include the following:

- Financial statements are prepared using full-accrual accounting for all of the Library's activities, including capital assets and long-term liabilities.
- Capital assets in the statement of net assets include assets totaling approximately \$1,760,000 that would previously have been reported in the General Fixed Assets Account Group.
- Capital assets at July 1, 2004 previously reported in the General Fixed Assets Account Group have been adjusted by approximately \$1,071,000 to reflect the historical cost of the City's capital assets at that date.
- The statement of net assets includes a long-term liability totaling approximately \$34,000 for unpaid sick and vacation time of Library employees, previously reported in the General Long-term Debt Account Group.

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 2 - Reconciliation of General Fund Financial Statements to Government-wide Financial Statements

Total fund balance and the net change in fund balance of the Library's General Fund differ from net assets and change in net assets of the governmental activities reported in the statement of net assets and statement of activities. This difference results primarily from the long-term economic focus of the statement of net assets and statement of activities versus the current financial resources focus of the General Fund balance sheet and statement of revenue, expenditures, and changes in fund balance. The following is a reconciliation of fund balance on the modified-accrual basis of accounting to net assets presented on the full-accrual basis:

Total Fund Balance - Modified-accrual Basis	\$ 101,577
--	-------------------

Amounts reported in the statement of net assets are
different because:

Capital assets are not financial resources and are not reported in the funds	1,009,068
Compensated absences are included as a liability	<u>(33,810)</u>

Net Assets - Full-accrual Basis	<u>\$ 1,076,835</u>
--	----------------------------

The following is a reconciliation of the changes in fund balance on the modified-accrual basis to the change in net assets on the full-accrual basis:

Net Change in Fund Balances - Modified-accrual Basis	\$ 4,174
---	-----------------

Amounts reported in the statement of activities are
different because:

Capital outlays are reported as expenditures in the statement of revenue, expenditures, and changes in fund balance; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Library books, periodicals, audiovisual materials, etc.	54,875
Capitalized capital outlay	16,722
Depreciation	<u>(165,462)</u>
Accumulated employee sick and vacation pay is recorded when earned in the statement of activities	<u>(62)</u>

Change in Net Assets - Full-accrual Basis	<u>\$ (89,753)</u>
--	---------------------------

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 3 - Deposits and Investments

Michigan Compiled Laws, Section 129.91, authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The Library is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Library does not have any specified financial institutions for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in all of the authorized investment vehicles listed above. The Library's deposits and investment policies are in accordance with statutory authority.

The Library's cash and investments are subject to several types of risk, which are examined in more detail below.

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library does not have a deposit policy for custodial credit risk. At year end, the Library had approximately \$132,000 of bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and uncollateralized. The Library believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Library evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Custodial Credit Risk of Investments - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library does not have a policy for custodial credit risk. At year end, the Library had no investment securities that were uninsured and unregistered, held by the counterparty or by its trust department or agent, but not in the Library's name.

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 4 - Capital Assets

Capital asset activity of the Library is as follows:

	Balance July 1, 2004	Additions	Disposals and Adjustments	Balance June 30, 2005
Capital assets being depreciated:				
Building improvements	\$ 23,531	\$ 13,365	\$ -	\$ 36,896
Furniture and equipment	382,620	3,357	-	385,977
Collections - Library books, CDs, and audio/visual	1,285,980	54,875	(4,000)	1,336,855
Subtotal	1,692,131	71,597	(4,000)	1,759,728
Accumulated depreciation	(589,198)	(165,462)	4,000	(750,660)
Net capital assets	<u>\$ 1,102,933</u>	<u>\$ (93,865)</u>	<u>\$ -</u>	<u>\$ 1,009,068</u>

Note 5 - Budget Information

The annual budget is prepared by the library director and adopted by the library board; subsequent amendments are approved by the library board. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. The amount of encumbrances outstanding at June 30, 2005 has not been calculated. During the current year, the budget was amended in a legally permissible manner. The budget has been prepared in accordance with accounting principles generally accepted in the United States of America.

The budget has been adopted on a line item basis; expenditures at this level in excess of amounts budgeted are a violation of Michigan law. A comparison of actual results of operations to the budget as adopted by the library board can be seen by examining the totals in the budgetary comparison schedule - General Fund in the required supplemental information section.

Excess of Expenditures Over Appropriations - During the year, the Library incurred expenditures that were in excess of the amounts budgeted as follows:

	Amended Budget	Actual	Variance
Salaries and fringes	\$ 307,387	\$ 314,389	\$ (7,002)
Professional services	40,700	41,487	(787)
Capital outlay	10,000	16,722	(6,722)

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 5 - Budget Information (Continued)

The unfavorable variance in the salaries and fringes line item is the result of actual health benefits and pension contributions being more than anticipated. The unfavorable variance in the capital outlay line item is due to the reclassification of actual expenses, which were budgeted as maintenance, to capital outlay.

Note 6 - Risk Management

The Library is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Library has purchased commercial insurance for property loss, torts, errors and omissions, and employee injuries (workers' compensation claims) through the Michigan Municipal League. The Library participates in the City of Hazel Park's self-insurance program for medical benefits provided to employees. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Library pays premiums to the City of Hazel Park's medical benefits self-insurance program. The City uses premiums collected from the Library and from city funds to pay for health care benefits for Library and City employees. Although premiums are paid to the City's self-insurance program and those premiums are used to pay claims, the ultimate liability for those claims remains with the Library.

Note 7 - Defined Benefit Pension Plan

Plan Description - The Library contributes to the City of Hazel Park's Employees' Retirement System, a cost-sharing, multiple-employer defined benefit pension plan administered by the City of Hazel Park, Michigan. The plan, which covers all employees of the City and Library, provides retirement, disability, and death benefits to plan members and their beneficiaries. The City of Hazel Park's Employees' Retirement System is included in the City of Hazel Park's financial statements. That report may be obtained from the City offices at 111 E. Nine Mile Road, Hazel Park, MI.

Funding Policy - The obligation to contribute to and maintain the system for these employees was established by negotiation with the City's collective bargaining units and requires a contribution from the employees of 5 percent of gross wages. The funding policy provides for periodic employer contributions at actuarially determined rates. The Library made a contribution to the plan for the year ended June 30, 2005 of \$25,081.

Hazel Park Memorial Library

Notes to Financial Statements June 30, 2005

Note 8 - Postemployment Benefits

The Library provides health care benefits to all full-time employees upon retirement, in accordance with labor contracts. Currently, there is one retiree eligible. The Library includes pre-Medicare retirees and their dependants in its insured health care plan, with no contribution required by the participant. Expenditures for postemployment health care benefits are recognized as the insurance premiums become due; there were \$7,707 of expenditures during the year.

Upcoming Reporting Change - The Governmental Accounting Standards Board has recently released Statement Number 45, *Accounting and Reporting by Employers for Postemployment Benefits Other Than Pensions*. The new pronouncement provides guidance for local units of government in recognizing the cost of retiree health care, as well as any other postemployment benefits (other than pensions). The new rules will cause the full accrual statements to recognize the cost of providing retiree health care coverage over the working life of the employee, rather than at the time the health care premiums are paid. The new pronouncement is effective for the year ending June 30, 2009.

Required Supplemental Information

Hazel Park Memorial Library

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended June 30, 2005

	Originally Adopted Budget	Final Amended Budget	Actual Balance	Variance Favorable (Unfavorable)
Operating Revenue				
Property taxes	\$ 429,326	\$ 429,326	\$ 431,786	\$ 2,460
State aid	16,000	16,000	16,491	491
Penal fines	30,000	30,000	27,179	(2,821)
Donations	3,000	3,000	10,143	7,143
Interest	2,000	2,000	3,548	1,548
Other	12,000	12,000	22,380	10,380
Total operating revenue	492,326	492,326	511,527	19,201
Operating Expenditures				
Salaries and fringes	324,387	307,387	314,389	(7,002)
Supplies	9,500	11,000	10,486	514
Professional services	33,600	40,700	41,487	(787)
Utilities	27,300	28,300	26,281	2,019
Maintenance	9,000	27,578	20,737	6,841
Insurance	16,000	16,000	14,670	1,330
Collection	57,000	60,400	54,875	5,525
Capital outlay	10,000	10,000	16,722	(6,722)
Other operating expenditures	17,539	16,039	7,706	8,333
Total operating expenditures	504,326	517,404	507,353	10,051
Change in Fund Balance/Net Assets	(12,000)	(25,078)	4,174	29,252
Fund Balance/Net Assets - July 1, 2004	90,268	97,403	97,403	-
Fund Balance/Net Assets - June 30, 2005	<u>\$ 78,268</u>	<u>\$ 72,325</u>	<u>\$ 101,577</u>	<u>\$ 29,252</u>